

RESOLUTION NUMBER R-\_\_\_\_\_

DATE OF FINAL PASSAGE \_\_\_\_\_

A RESOLUTION OF THE COUNCIL OF THE CITY OF  
SAN DIEGO AUTHORIZING THE ESTABLISHMENT OF A  
CLIMATE EQUITY FUND AND RELATED ACTIONS.

WHEREAS, the City of San Diego adopted the Climate Action Plan (CAP) in 2015, which committed to eliminating half of all greenhouse gas emissions in the City and aimed for all electricity to be from renewable sources by 2035; and

WHEREAS, the CAP identified many targets, including the equitable distribution of public facilities and services outlined in the City’s General Plan; and

WHEREAS, California passed Senate Bill (SB) 1000 in 2016, which requires cities and counties to add an Environmental Justice Element or update the Environmental Justice Policies in their General Plan. An Environmental Justice Element should intend to reduce the unique or compounded health risks in disadvantaged communities, promote civic engagement in the public decision-making process, and prioritize improvements and programs that address the needs of disadvantaged communities; and

WHEREAS, for purposes of the Environmental Justice Element under California Government Code section 65302(h)(4)(A), the definition of “disadvantaged communities” includes an area identified by the California Environmental Protection Agency (EPA) pursuant to Health and Safety Code section 39711 or a low income area that is disproportionately affected by environmental pollution and other hazards that can lead to negative health effects, exposure, or environmental degradation; and

WHEREAS, in 2019, the City created the Climate Equity Index (CEI), in close partnership with community leaders, which measures the level of access to opportunity and the degree of potential impact from climate change within all the City of San Diego's 297 census tracts; and

WHEREAS, the CEI assessed census tracts in the City using standardized indicators, including environmental, socioeconomic, housing, mobility, and health indicators, to calculate a CEI score from 0 to 100 for each tract that can be compared to the scores of other tracts; and

WHEREAS, 120 census tracts had CEI Scores between 0 and 60, which means the tracts were found to have either a very low, low, or moderate access to opportunity and to be more impacted by climate change, and would generally be considered disadvantaged communities for purposes of the Environmental Justice Element; and

WHEREAS, disadvantaged communities have experienced a lack of infrastructure such as, deficient park acreage, unimproved streets lacking pedestrian and bicycle improvements, and insufficient street lighting which have caused these disadvantaged communities to be more susceptible to the impacts of climate change; and

WHEREAS, the lack of investment in disadvantaged communities has affected public and private investments within these areas, including, insufficient access to goods and services and low levels of opportunity for residents, including a lack of educational and employment opportunities; and

WHEREAS, the creation of a Climate Equity Fund will allow the City to target annual funding toward building City infrastructure that will allow disadvantaged communities scoring

between 0 and 60 on the CEI to be more resilient and adapt to climate change; NOW,  
THEREFORE,

BE IT RESOLVED, by the Council of the City of San Diego, as follows:

1. That the Mayor, or his designee, is authorized to establish a Climate Equity Fund (CEF).

2. That the CEF shall be allocated to and expended on City infrastructure projects, including associated land acquisition and activities required for pursuing external funding sources for City infrastructure projects such as grants and state and/or federal funding, that will allow disadvantaged communities to adapt to climate change (Projects).

3. That through the City's annual budget process, the Mayor and Council may allocate funding to the CEF from any source of revenue, but at a minimum, shall consider making allocations to the CEF from the following revenue sources during the annual budget process, unless waived by the Council:

- a. **Transnet:** One percent of the total annual revenue received through Transnet for use on Transnet and CEF eligible Projects; and
- b. **Gas Tax:** One percent of the total annual revenue received through the Gas Tax for use on Gas Tax and CEF eligible Projects; and
- c. **Annual Gas and Electric Franchise Fees:** Ten percent of the General Fund revenue received through the annual gas and electric franchise fees; and
- d. Any additional revenue received by the City specifically for the CEF.

4. That to be eligible to receive CEF funding, Projects must have an impact on reducing greenhouse gas emissions, enhancing safety in the public right-of-way, relieving

congestion, or achieve other climate equity concerns and be located in a disadvantaged community located within an area that scores between 0 and 60 on the Climate Equity Index, as updated from time to time.

5. That the CEF funding is intended to supplement allocations for Projects in the annual budget and is not intended to replace any funding budgeted or previously allocated to specific Projects.

6. That the Council and Mayor's Office shall seek input from the Office of Race and Equity about the location of Projects and from the Sustainability Department on the Project's impact on the Climate Action Plan goals and include a written explanation for each Project receiving CEF funds, including why it was chosen and its projected impact on reducing greenhouse gas emissions and achieving other climate equity outcomes, in the proposed budget.

7. That the Mayor's Office or designee shall provide an annual report of CEF allocations and Project status to the appropriate Council Committee by January 1 of each year.

8. That funding for the CEF shall be allocated through the annual budget process. If the Mayor determines that anticipated revenues in any fiscal year will be insufficient to maintain existing City services, the Mayor may ask the City Council during the annual budget process to temporarily suspend compliance with this Resolution for the upcoming fiscal year through the annual budget process by a majority vote of the City Council. Compliance with this Resolution is not intended to abrogate or alter the duties, obligations, and prerogatives of the City Council in the preparation and passage of the Annual Appropriation Ordinance pursuant to San Diego Charter section 71.

9. That the Chief Financial Officer is authorized to establish a separate interest-bearing account for the CEF.

10. That the Chief Financial Officer is authorized to accept, appropriate, and expend funds from the CEF for eligible Projects, contingent upon securing funding.

APPROVED: MARA W. ELLIOTT, City Attorney

By \_\_\_\_\_  
Nicole M. Denow  
Deputy City Attorney

NMD:jdf  
02/23/2021  
Or.Dept: District 8  
Doc. No. 2595505

I hereby certify that the foregoing Resolution was passed by the Council of the City of San Diego, at this meeting of \_\_\_\_\_.

ELIZABETH S. MALAND  
City Clerk

By \_\_\_\_\_  
Deputy City Clerk

Approved: \_\_\_\_\_  
(date)

\_\_\_\_\_  
TODD GLORIA, Mayor

Vetoed: \_\_\_\_\_  
(date)

\_\_\_\_\_  
TODD GLORIA Mayor